



GARY R. HERBERT  
Governor

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# State of Utah

## DEPARTMENT OF NATURAL RESOURCES

### Division of Oil, Gas & Mining

MICHAEL R. STYLER  
Executive Director

JOHN R. BAZA  
Division Director

### Inspection Report

#### Minerals Regulatory Program

April 5, 2011

Reviewed: PPB

<b>Mine Name:</b> Lisbon Valley Mine	<b>Permit Number:</b> M/037/0088
<b>Operator Name:</b> Lisbon Valley Mining Company LLC	<b>Inspection Date:</b> 03/29 & 3/30/2011
<b>Inspector(s):</b> Tom Munson	<b>Time:</b> 7AM
<b>Other Participants:</b> Lantz Indergard	<b>Mine Status:</b> Active

Elements of Inspection	Evaluated	Comment	Enforcement
1. Permits, Revisions, Transfer, Bonds	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
2. Public Safety (shafts, adits, trash, signs, highwalls)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3. Protection of Drainages / Erosion Control	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4. Deleterious Material	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5. Roads (maintenance, surfacing, dust control, safety)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6. Reclamation	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
7. Backfilling/Grading (trenches, pits, roads, highwalls, shafts, drill holes)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
8. Soils	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
9. Revegetation	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
10. Other	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

**Permit fee:** Current

**Bond Renewal Date:**

**Bond Amount:** \$6,076,888

**Purpose of Inspection:** To perform a site inspection and work towards consolidation of an updated permit.

**Weather:** Sunny

#### **Inspection Summary:**

I meet with Lantz Indergard, mine manager, on the afternoon of the 29<sup>th</sup> and again in the morning of 30<sup>th</sup> to assist in bring the mine permit into a format acceptable to the operator and the Division. We performed field work looking at a drilling site within the GTO pit, the newly constructed sediment ditch at the base of waste dump C, and the site of non toxic material being removed from the upper benches of the Centennial Pit to construct the new haul road being built from the leach pad to the water tank.

I also reviewed an example permit format with Lantz that I had copied on a portable hard drive. We downloaded this example permit on his computer and reviewed its table of contents to help him understand the Division's needs. We also reviewed Paul Baker's example permit application explanation worksheet. Lantz said there appeared to be enough information to help him complete his new permit and he felt he didn't need much more explanation.

Regrading of Waste Dump C was taking place on the North end, second and third lift. I discussed how beneficial cross ripping would be instead of dozer tracking up and down the slope and how important the establishment of vegetation will be in determining future expansion on any



Inspection Date: 03/29/2011

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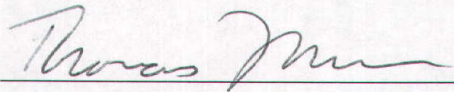
dumps. We also drove to the bottom of the Sentinel West Pit and observed the pit pool. We discussed the benefits of having this pit filled in and recontoured to blend into waste dump C. We discussed that given there is plenty of non acid generating waste to back fill the pit with, water quality would not be a problem.

The following day we reviewed current amendments to the permit and their status both in regards to the Division's approvals and their approval with the BLM. We discussed future plans with expansion of Lisbon Valley both to the North and South and a future meeting with the BLM on April 13, 2011. Photos were taken to document site conditions.

**Conclusions and Recommendations:**

The purpose of this inspection was to further the process of obtaining a more up to date permit and consolidating past submittals and amendments.

**Inspector's Signature**



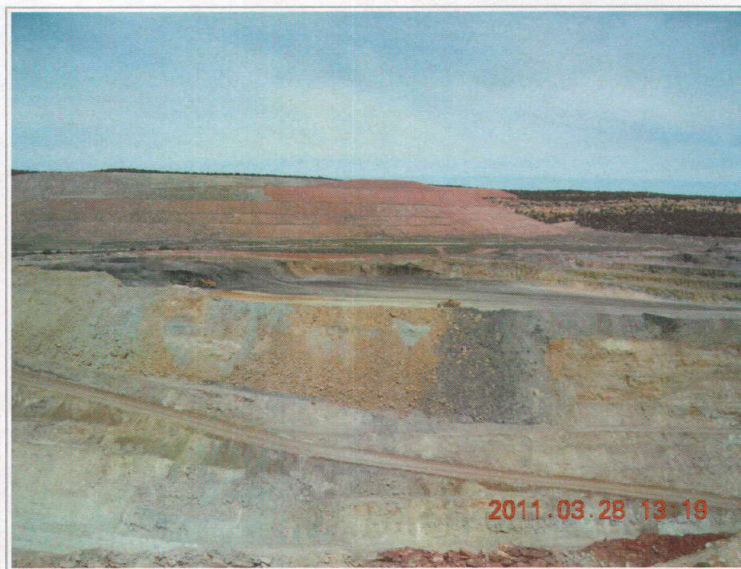
TM: eb

cc: rebecca\_doolittle@blm.gov

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Waste rock being hauled to construct water tank haul road



Black colored material is acid forming material



Toe ditch waste dump C



Pit pool Sentinel West pit



Start of water tank haul road



South end of the Centennial Pit with Sentinel east Pit backfill and waste dump C in the background